



# Memorandum

**TO:** CITY COUNCIL

**FROM:** Mayor Chuck Reed  
Vice Mayor Madison Nguyen  
Councilmember Rose Herrera  
Councilmember Donald Rocha

**SUBJECT: DEVELOPMENT SERVICES  
STAFFING NEEDS**

**DATE:** January 27, 2012

**APPROVED:**

**DATE:**

*Chuck Reed*  
*Rose Herrera*  
*Don Rocha*  
*Madison Nguyen*  
*Y.C.N.*  
*PH*

## RECOMMENDATION

Approve staff recommendations to:

1. Adopt an Appropriation Ordinance and Funding Sources Resolution amendment in the General Fund; and
2. Approve 21 new positions in Planning, Building and Code Enforcement, Public Works, and the Fire Department effective February 6, 2012.

Direct staff to return to Council with:

1. Report on how the new staff has been deployed to address the workload demands;
2. Recommendations on staffing model changes to allow Development Services staffing levels to rise and fall with demand so that backlogs are not created, including a strategy on third-party plan checking;
3. Recommendation on staffing model changes in the Fire plan review and inspection process to eliminate inconsistencies between approved plans and on-site orders and in circumstances between different inspectors; and
4. Recommendation on changes to the San Jose Fire Code to bring it in line with the Uniform Building Code.

## BACKGROUND

In the fall of 2011, Cliff Berry, Senior Director of Real Estate and Facilities at Oracle wrote to Mayor Reed to say the following, "Our experience with the City of San Jose on this tenant improvement is one that should not go unmentioned. In all the years that we've been dealing with City jurisdictions, we've rarely seen such a fine example of assistance and diligence to get a project permitted, inspected and temporary occupancy issued." Earlier this year, Oracle received

its Certificate of Occupancy, and its engineers now occupy three floors of 488 Almaden Boulevard in Downtown San Jose.

More than 65 other technology companies were served in 2011 through our STI, ITI, and expedited permit and inspection programs, including companies like Maxim, SuperMicro, InterMolecular, PWC, Triquint, BD Biosciences, Samsung, C8-Medisensors, Monolithic Power, and Zazzle. Thousands of permanent jobs have been generated by these companies locating or growing in San Jose. Millions of dollars in City fees have been collected. Confidence in our permitting process has grown in the local development community.

On October 18, 2011, the City Council approved the Economic Strategy Workplan and the top 5 highest priorities that staff should be spending 80% of their efforts in Fiscal Year 2011-2012. First on the list was the goal to work at the speed of business on major development projects that can have a measurable impact on job creation and revenues. We are proud and grateful to staff from Planning, Building, Public Works, and the Fire Department who have done an outstanding job to perform at a high standard to process permits for small and large driving industry companies over the past year with limited resources while demand for services steadily increased.

To maintain the performance levels of the Development Services team we directed the Administration to present a strategy on how the City intended to provide the staffing capacity needed to keep up with current and future demand for permitting services. We are supportive of staff's recommendation to request these position adjustments to respond to the demand for services. We are, however, concerned by the staffing challenges noted on page 5 of the January 12, 2012 staff report and request the Administration to pursue opportunities for third-party plan checking by City-approved professional consultants per Council direction in October 2011.

There are positive signs in the local economy and real-estate market that a recovery is occurring. Working at the speed of business to respond to fast-paced, changing business cycles remains our most powerful tool to advance our economic development goals and attract private investment.

We urge our Council colleagues to support us in approving the augmentation of Development Services staff capacity to meet current and future workload demands.

Special thanks to the Development Services Team:

- Joe Horwedel, Laurel Prevetti, Jeanie Hamilton and the Planning team
- Chu Chang, Kathryn Sedwick, John Ruch, Michelle Huang, James Son, Joyce Liu, Dan LeVeque, Evelyn Rodriguez and the Building team
- Lee Butler, Development Services Project Expeditor
- Chief Ruben Torres, Chief Curtis Jacobson, Ron Estrada and the Fire Protection team
- Harry Freitas, Primo de Guzman, and the Public Works team